

Division of Energy

MISSOURI ENERGY BULLETIN

March 10, 2017

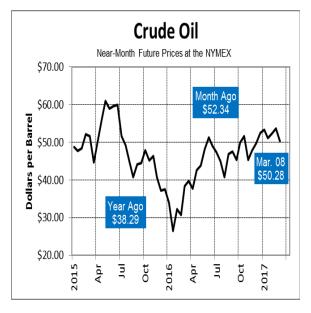
(Data are for the week ended March 3, 2017, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$2.06 to \$50.28 per barrel in the past month, 31 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)						
	<u>03-08-17</u>	<u>02-08-17</u>	<u>change</u>	<u>03-09-16</u>	<u>change</u>	
NYMEX	\$50.28	\$52.34	down 4%	\$38.29	up 31%	

- Crude oil futures for April delivery on the NYMEX ended \$2.86, or 5.2 percent, lower March 8 to settle at \$50.28 per barrel, falling on a spike in US oil stockpiles, while the dollar gained on increased expectations the Federal Reserve will raise interest rates next week after a robust report on private sector jobs.
- The surge in crude inventories to a record high impacted energy stocks, leading much of Wall Street lower, and heightened concerns a global oil glut may persist even as OPEC tries to prop up prices with output cuts.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$50.28 is \$11.99, or 31 percent, higher.



- Domestic crude production was slightly higher from the prior week at nearly 9.1 MMB/D. Last year at this time, production stood at nearly 9.1 MMB/D. Total crude imports increased from the prior week at nearly 8.2 MMB/D. Imports at this time last year averaged over 8.0 MMB/D.
- U.S. refinery crude runs decreased from the prior week with refiners processing nearly 15.5 MMB/D. U.S. refinery capacity utilization was down on the week at 85.9 percent. Last year at this time, capacity use stood at 88.3 percent.

- Gasoline output increased on the week at over 9.8 MMB/D. Output was nearly 9.6 MMB/D at this time last year. Distillate output was unchanged from the prior week at nearly 4.8 MMB/D. Last year at this time, production stood at over 4.7 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at about 19.6 MMB/D, down by 1.3 percent compared to the same period last year.

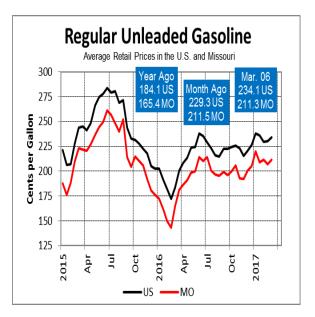
Transportation Fuels

On March 6, Missouri's statewide average retail price for gasoline was over \$2.11 per gallon, down 0.2 cents in the past month and up 45.9 cents in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)						
	<u>03-06-17</u>	02-06-17	<u>change</u>	<u>03-07-16</u>	<u>change</u>	
US	234.1	229.3	up 2%	184.1	up 27%	
Missouri	211.3	211.5	down 0%	165.4	up 28%	

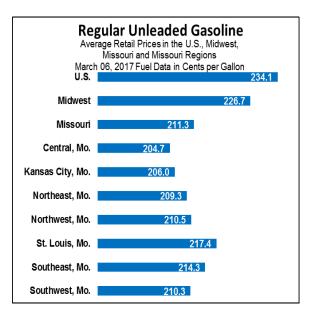
Diesel Fuel - Retail Prices (cents per gallon)						
	03-06-17	<u>02-06-17</u>	<u>change</u>	<u>03-07-16</u>	<u>change</u>	
US	257.9	255.8	up 1%	202.1	up 28%	
Missouri	229.9	226.4	up 2%	179.8	up 28%	

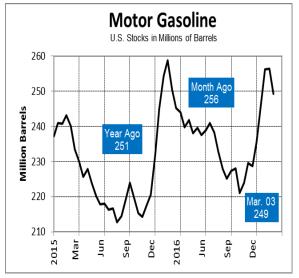
- On March 6, Missouri's average retail price for gasoline was over \$2.11 per gallon, down 0.2 cents in the past month.
- Missouri's average price for diesel fuel was nearly \$2.30 per gallon, up 3.5 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 45.9 cents per gallon, or 28 percent, higher while the average retail diesel fuel price is 50.1 cents per gallon, or 28 percent, higher.
- At over \$2.34, the U.S. average price for regular gasoline is 4.8 cents per gallon, or 2 percent, higher compared to last month.

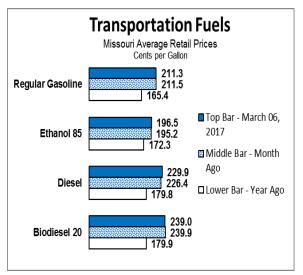


- The U.S. average price for regular gasoline is up 50.0 cents per gallon, or 27 percent, compared to this time last year. In the past week, the U.S. average increased by 2.7 cents per gallon.
- Gasoline imports decreased from the prior week at over 0.2 MMB/D. Last year at this time, imports stood at nearly 0.6 MMB/D.

- Implied demand for gasoline increased on the week at nearly 9.3 MMB/D. Demand stood at over 9.4 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 8.8 MMB/D.
- U.S. gasoline supplies decreased 6.6 MMB on the week to 249.3 MMB. U.S. supplies are 1.2 MMB lower compared to this time last year.
- Distillate stocks decreased 2.7 MMB on the week at 161.5 MMB and stand 0.9 MMB lower compared to the same period last year.
- Distillate demand increased on the week at nearly 4.1 MMB/D. Demand stood at over 3.7 MMB/D at this time last year. On a four-week average, distillate demand was higher at over 4.0 MMB/D.
- On March 6, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was nearly \$1.97 per gallon, 14.8 cents, or 7.1 percent, lower than the average price for conventional motor gasoline.
- On March 6, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was \$2.39 per gallon, 9.1 cents per gallon, or 3.8 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest Short Term Energy Outlook dated March 7, 2017, U.S. regular gasoline retail prices, which averaged \$2.43 per gallon in 2015 and \$2.15 per gallon in 2016, are projected to average \$2.40 in 2017.







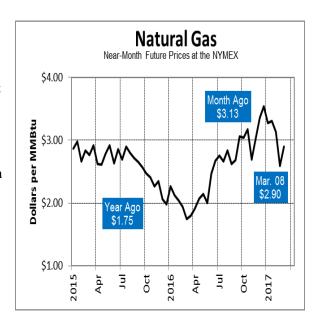
Natural Gas

Approximately 51.6 percent (1,220,485) of Missouri households use natural gas to heat their homes. (Data updated from the most recent U.S. Census report.) Natural gas is also used to produce goods and electricity.

On March 8, 2017, natural gas futures on the NYMEX closed at \$2.90 per million British thermal units (MMBtu), up \$1.15, or 66 percent, in the past year.

Natural Gas - Near Month Future Prices (dollars per MMBtu)							
	03-08-17	02-08-17	<u>change</u>	03-09-16	change		
NYMEX	\$2.90	\$3.13	down 7%	\$1.75	up 66%		

- The April 2017 NYMEX futures contract settled at \$2.90 per MMBtu on March 8, up 7.7 cents from the prior settlement.
- Futures are up \$1.15, or 66 percent, in the past year.
- Working gas in storage was 2,295 Bcf, 18.8 percent above the five-year average inventory level for the week. According to EIA's March 3, 2017 Weekly Natural Gas Storage Report, U.S. natural gas supplies are 192 Bcf, or 7.7 percent, lower than last year at this time.
- According to the EIA, net withdrawals from working gas totaled 68 billion cubic feet (Bcf) for the week ending March 3.



- Temperatures in the Lower 48 states averaged 46°F, 6°F higher than the normal and 1°F higher than last year at this time. The warmer-than-normal temperatures prevailed throughout most of the Lower 48 states, with the exception of the Pacific and Mountain Census divisions. Temperatures in the Pacific Census division averaged 45°F, 6°F lower than the normal and 14°F lower than last year at this time. Temperatures in the Mountain census region averaged 34°F, 5°F lower than the normal and 12°F lower than last year at this time. Despite the warmer-than-normal temperatures this week, overall temperatures were cooler than levels reported last week.
- According to the EIA, total U.S. consumption of natural gas fell by 1 percent compared with the
 previous report week. Compared with last report week, power burn declined by 4 percent, industrial
 sector consumption stayed flat at 21.7 Bcf/d, and residential and commercial sector consumption
 increased by 2 percent. Natural gas exports to Mexico were the same as last week, averaging 3.9
 Bcf/d.

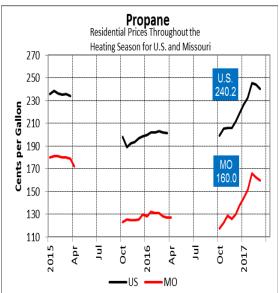
Propane

Approximately 9.2 percent (216,853) of Missouri households use propane to heat their homes. (Data updated from the most recent U.S. Census report.) Propane is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

On March 6, the average Missouri retail price for residential propane was over \$1.60 per gallon, down 6.1 cents in the past month and up 31.9 cents in the past year.

Propane - Retail Prices (cents per gallon)						
	<u>03-06-17</u>	02-06-17	<u>change</u>	<u>03-07-16</u>	<u>change</u>	
Missouri	160.0	166.1	down 4%	128.1	up 25%	

- According to the Division of Energy's most recent statewide propane price survey conducted March 6, the average Missouri retail residential propane price was \$1.60 per gallon, down 6.1 cents in the past month and up 31.9 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$2.10 per gallon. The lowest retail price was \$1.15 per gallon.
- U.S. propane stocks decreased by 4.1 MMB last week to 45.2 MMB as of March 3, 2017, 17.1 MMB, or 27.4 percent, lower than a year ago. Midwest propane stocks declined by over 0.8 MMB to over 12.5 MMB. Midwest inventories stood at over 15.1 MMB at this time last year.



• U.S. propane consumption was higher on the week at over 1.4 MMB/D. Consumption stood at over 1.2 MMB/D last year at this time.

For more information on propane, please visit:

http://energy.mo.gov/energy/services/be-prepared-for-propane

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The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Economic Development's Division of Energy. The Division of Energy collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and online at the division's Web address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; and Missouri's energy retailers. For more information, contact: MO Dept. of Economic Development, Division of Energy, P.O. Box 1766, Jefferson City, MO 65102-1766; Phone: 573-751-2254; Fax: 573-751-6860; Email: energy@ded.mo.gov; Web Address: http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins.